



LAMBERT-ST. LOUIS
INTERNATIONAL AIRPORT®

Rhonda Hamm-Niebruegge
Director



Francis G. Slay
Mayor
City of St. Louis

THIRD ADDENDUM
SOLICITATION FOR BIDS
COMMON USE CLUB CONCESSION

January 10, 2017

PROSPECTIVE BIDDERS:

Attached is the Third Addendum to the Solicitation for Bids (SFB), dated November 14, 2016, for a Common Use Club Concession at Lambert-St. Louis International Airport®.

This Third Addendum is issued for the following reasons:

1. Answer Questions from prospective Bidders (see Attachment #1);
2. Section 609 entitled "Pricing" of Appendix "B" entitled "Sample Agreement" of the SFB is deleted in its entirety and replaced with the following new Section 609:

"SECTION 609. PRICING. The City has established an "airport-pricing" policy for this Concession. Concessionaire must charge fair, reasonable and nondiscriminatory prices that are attractive to the public and no more than the average price of a similar product or service at three (3) airports of comparable size and activity as that of the Airport.

A. For the purposes of this Agreement, Concessionaire shall establish a pricing structure for its products or services as follows:

1. The price charged for a product or service must be no more than the average price of a similar product or service at three (3) different airports of comparable size and activity as that of the Airport. The three (3) airports used for the price comparison must be designated by Concessionaire and approved by the Director.
2. Requests for changes to the comparable airports for the determination of prices based on the airport-pricing policy and the reasons for such changes must be provided to the Director for approval and will become effective only upon receipt of the Director's approval.
3. Products containing selling prices printed by the manufacturer are excluded and must not be sold for more than published prices.
4. Where an identical product is not available at an agreed comparable location, any difference in size or quality shall constitute a price differential.

- B. During the Term of this Agreement, no less than one (1) time per Contract Year, thirty (30) days after each Contract Year anniversary date, Concessionaire shall conduct, or shall cause to be conducted, a price comparison of all current items available within the Premises. The price comparison must compare the price of all current items and services available at the Airport with the price at comparable airport locations as described in this Section 606. In the event of non-compliance with the pricing requirements herein, Concessionaire must bring all products and services into compliance with the pricing requirements within seven (7) days after such non-compliance is identified. This price comparison must be submitted to the Airport Properties Division.
 - C. The Director reserves the right to independently compare Concessionaire's prices to the agreed upon comparable airport location prices, as described in this Section 606, and if prices are determined to be more than the average comparable price, require Concessionaire to reduce prices based upon its documented comparison.
 - D. Concessionaire shall not increase any prices without prior written approval of the Director.
 - E. All new items are subject to the pricing requirements of this Section 606 hereof and may be proposed at any time.
 - F. Concessionaire is permitted, but not required, to offer discounted prices to employees of the City and other Airport employees. Before implementing a discount policy Concessionaire shall first provide thirty (30) days advance written notice to the Director. The notice must provide the details surrounding the discount policy (e.g., who it covers, how much is the discount, etc.). The Director will not unreasonably withhold approval to implement the policy. In addition, discounts may be changed, modified or discontinued with thirty (30) days prior written notice to the Director."
3. Section 504 entitled "Reports" of Appendix "B" entitled "Sample Agreement" of the SFB is deleted in its entirety and replaced with the following new Section 504:

"SECTION 504. REPORTS

- A. Statement of Gross Receipts. Concessionaire shall submit to the City, by the fifteenth (15th) day of the second and each succeeding month of each Contract Year hereof, during the Term of the Agreement, two (2) copies of an accurate statement of Gross Receipts certified by an officer of the Concessionaire. Concessionaire shall report Gross Receipts on a form approved by the Director. The Director reserves the right to request Concessionaire to provide documentation in a manner satisfactory to the Director, the specifics of all refunds deducted from Gross Receipts. The City reserves the right to use these statements of Gross Receipts as a source of information to bidders in future solicitations for this or similar concessions.
- B. Final Statement of Gross Receipts. The final statement of Gross Receipts will be due fifteen (15) days following expiration or early termination of this Agreement. The City

reserves the right to use these statements as a source of information to bidders in future solicitations for this or similar concessions.

- C. Certified Audited Report of Gross Receipts. Concessionaire shall submit to the Airport Properties Division an audited report of Gross Receipts within one hundred twenty (120) days following the conclusion of each Contract Year, during the Term of the Agreement. This audit report must be prepared by an independent Certified Public Accountant. The audit report must, at a minimum, certify the accuracy of: 1) reported total accumulated Gross Receipts; and 2) the aggregate amount of goods and services attributable to ACDBE participants. The audit report must also include a schedule showing the total of actual Concession Fee Payments to the City during the Contract Year and must state an opinion as to the correctness of the Concession Fee Payments without exception. Delivery of an audit report containing a qualified opinion, an adverse opinion or a disclaimer of opinion as defined in the Statement on Auditing Standards, or as same may from time to time be amended or superseded, issued by the Auditing Standards Board of the American Institute of Certified Public Accountants, will be deemed to be a default pursuant to Article XI herein.
- D. Annual Audit Overpayment/Underpayment. In the event the annual audit indicates there was an underpayment of any rents, fees, charges, or other payments due and payable to the City, Concessionaire shall immediately pay the amount of the underpayment to the City. In the event of an overpayment, Concessionaire shall, upon City verification and approval, deduct the amount of the overpayment from the next scheduled Concession Fee Payment. If an overpayment occurs during the last Contract Year of the Term of the Agreement, the City will pay the amount of the overpayment to Concessionaire within thirty (30) days of receipt of the final audit report.
- E. Waiver of Audited Report of Gross Receipts Requirement. At the written request of the Concessionaire, the City may waive the annual Certified Audited Report of Gross Receipts requirement if, during the previous Contract Year, Concessionaire was *not* required to pay Concession Fees as set forth in Sections 502 and 503. The City will review Concessionaire's payment history prior to approving the waiver request.
- F. Monthly ACDBE Activity Reports. Concessionaire shall submit to the City by the 15th day following each calendar month an accurate statement of ACDBE utilization. Concessionaire shall document, in a manner satisfactory to the Director, the specifics of all Gross Receipts attributable to ACDBEs in addition to purchases from certified ACDBEs. This statement must be certified as accurate by an officer of the Concessionaire. Concessionaire shall submit monthly ACDBE activity reports to the City in a form approved by the Director.
- G. Joint Venture Activity Reports. If Concessionaire operates as a Joint Venture, Concessionaire is required to submit the following documents, as applicable, to the City in a form approved by the Director by the 15th day following each calendar quarter (April 15th, July 15th, October 15th, and January 15th) or as indicated below:

1. A copy of the fully executed Joint Venture agreement in the form submitted to the Airport for approval within thirty (30) days of execution of the Joint Venture agreement or by the Commencement Date of this Agreement, whichever is earlier;
 2. An advance schedule of management committee meetings (including subcommittees) and minutes of such management committee meetings;
 3. Joint Venture activity reports by the ACDBE partner(s) and acknowledged by the non-ACDBE partner detailing the activity of the ACDBE partner in relation to its assigned role in the operation and a detailed summary of its activities for the preceding quarter. Concessionaire must include in the activity reports any activity with regard to capital contributions, loans, loan repayments, etc.;
 4. Documentation of all capital contributions made by the Joint Venture partners (ACDBE and non-ACDBE), including any promissory notes, within thirty (30) days of occurrence;
 5. Any proposed amendments to the Joint Venture Agreement to the Business Diversity Development office for review and approval prior to its effective date;
 6. Reconciliation of Administrative or Management Fees by the Joint Venture partners annually;
 7. Federal tax returns filed by the Joint Venture, including all supporting schedules and K1s within thirty (30) days of filing the return;
 8. An equity statement for each partner in the Joint Venture within thirty (30) days of the Joint Venture's fiscal year end; and
 9. Additional information related to the above in order to demonstrate compliance with 49 CFR Part 23 and the FAA's Joint Venture Guidance as may be requested by the City from time to time.
- H. ACDBE Documentation. Concessionaire shall keep, and make available to the City, such records (copies of subcontracts, paid invoices, documentation or correspondence) as are necessary for the City to determine compliance with the ACDBE participation goal. These records must be retained for a minimum of three (3) years after the termination of this agreement. The City reserves the right to investigate, monitor and/or review records for compliance."

Your fully complete Bid must be submitted, with all necessary attachments, by **2:00 P.M., LOCAL TIME, March 7, 2017**. An original and five (5) fully complete copies of your Bid must be submitted in a sealed envelope, addressed to:

Airport Properties Department
Lambert-St. Louis International Airport®
Terminal 1, Room MTN-2501
10701 Lambert International Boulevard
St. Louis, Missouri, 63145

The words "**BID FOR COMMON USE CLUB CONCESSION**" must be plainly written across the left-end face of the envelope. The name and address of the Bidder must also appear on the face of the envelope.

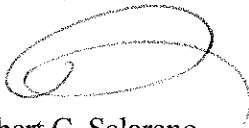
Bids will be publicly opened and read immediately following the 2:00 P.M. deadline.

Bids received after the due date and time, or not delivered to the designated point, will not be considered and will be returned to the Bidder unopened.

All other terms and conditions of the SFB as amended by the First Addendum and Second Addendum not inconsistent with this Third Addendum are unchanged and remain in full force and effect.

All inquiries regarding this SFB should be directed to the undersigned at (314) 426-8178 (rcsalarano@flystl.com).

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert C. Salarano', with a stylized flourish at the end.

Robert C. Salarano
Airport Properties Division Manager

ATTACHMENT #1

QUESTIONS FROM BIDDERS

QUESTIONS AND ANSWERS

Q. Will the City provide utilities?

A. No. See Section 804 of Appendix “B,” Sample Agreement.

Q. Is water and sewer connected to the space?

A. No, water and sewer connections are in the utility room visited on the tour (in the United States Customs and Border Patrol space).

Q. Can the City provide the hours that the United States Customs and Border Patrol space will be inaccessible due to flight activity?

A. No. The United States Customs and Border Patrol space operates on an As Needed basis and the utility room is inaccessible while international flights are processed.

Q. Will the City extend the Premises of the Club Concession into the corridor to maximize capacity?

A. Yes. A reasonable increase of between 3 to 6 feet into the corridor will be allowed at the successful Bidder’s option, and depending upon the use for the additional space.

Q. During concession construction, can the construction wall extend outside the Premises?

A. Yes. The City will allow the construction wall to be outside the Premises so long as the wall does not interfere with operations and passenger foot traffic.

Q. Will the City include design fees and construction management charges to meet the Minimum Investment requirements of the Concession Agreement?

A. Yes.

Q. Will the City allow Removable Fixtures (e.g. furniture and trade equipment) to be counted towards the Minimum Investment?

A. No.

Q. Will the City allot more than one free parking space to the concession?

A. No, only one **Terminal 1** parking space will be granted free of charge. Additional **Terminal 1** spaces may be purchased at the sole cost of the Concessionaire (current cost: \$250 monthly).

Q. What is the size of the current rooftop air unit?

A. There is no current air unit serving the Premises; the Concessionaire will be required to install one.

Q. Is there a list of qualified contractors available?

A. Below is a partial list of contractors who have worked at STL in the past; note that the list does not constitute STL approval of the contractor.

Ben Hur Construction
3783 Rider Trail S,
Earth City, MO 63045
(314) 298-8007

Knoebel Construction
18333 Wings Corporate Dr.
Chesterfield, MO 63005
(636) 326-4100

Tarlton Construction
5500 W. Park Ave.
St. Louis MO 63110
(314) 633-3300

Q. Does the contractor need to be LEED certified?

A. No.

Q. Are permits required for construction?

A. Yes, the City Tenant Construction Application (TCA) and St. Louis County Permits are required.

Q. How are designs approved?

A. 100% submittal due at a pre-design construction meeting. The City can make an architect or engineer available for discussions prior to TCA submittal.

Q. What about flood tasking or any other uniqueness?

A. Lighted signage will be evaluated, any paneling must be fire rated, and flooring type must be approved. Aluminum window casing changes can be discussed during the TCA process.

Q. Is there Union compliance requirement for contractors?

A. No.

Q. How long is the TCA process take?

A. Approximately 2 weeks to 1 month.

Q. How long is the permit process for St. Louis County?

A. Approximately 6 weeks to review.

Q. In regard to "Instructions To Bidders" Section 3, Item Z (entitled "Waterproofing"), will the City require membranes under the entirety of the Premises or only under areas where water is used?

A. The City will require membranes only under areas which, in the City's sole opinion, are considered hazards for leaking. This includes bar and kitchen areas, bathrooms, etc. It is not the intent to require a membrane under the entirety of the Premises and seating areas.

Q. Can the City provide the location of a recommended IT/Telecomm Room?

A. There is an appropriate room with service from AT&T on the apron level, one floor beneath the Club Premises, to the west (towards the Airport's D Concourse).

Q. How long does security badging take, and what are the costs?

A. The badging process usually takes 2 to 3 weeks and costs \$40 for fingerprinting and \$40 for the badge.